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DA 09-579

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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF ASSETS OF SHERBURNE TELE SYSTEMS, INC. BY IOWA TELECOMMUNICATIONS SERVICES, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-20

Comments Due: March 26, 2009 Reply Comments Due: April 2, 2009

On February 11, 2009, Sherburne Tele Systems, Inc. (Sherburne) and Iowa Telecommunications Services, Inc. (Iowa Telecom) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to assign substantially all of the assets held by Sherburne's wholly owned subsidiaries, Sherburne County Rural Telephone Co. (SCRTC), Sherburne Long Distance, Inc. (SLD), and Northstar Access, LLC (Northstar) to Iowa Telecom. Sherburne, a Minnesota corporation, is a holding company that does not provide telecommunications services. SCRTC is an incumbent local exchange carrier (LEC) serving approximately 16,000 access lines in Becker, Big Lake, Glendorado, and Zimmerman, Minnesota. SLD provides long distance service to customers in those areas. Northstar provides competitive LEC services in areas north of Minneapolis, Minnesota. Applicants state that Northstar's service area is separate from the service area of SCRTC.

Iowa Telecom, a publicly traded Iowa corporation, is an incumbent LEC in rural exchanges in Iowa. It also provides incumbent LEC services in areas west of Minneapolis through its Lakedale Telephone Company subsidiary.<sup>2</sup> It provides competitive LEC service in Minnesota through its Lakedale Link, Inc. and majority-owned EN-TEL Communications, LLC subsidiaries. Applicants state that Iowa Telecom does not provide competitive LEC services in the area SCRTC serves, and that Lakedale Link, Inc. provides service to five residential customers in Elk River, Minnesota, which is in Northstar's competitive LEC service territory.<sup>3</sup> Applicants further state that no party directly or indirectly holds a 10 percent or greater equity interest in Iowa Telecom. Pursuant to the terms of the proposed transaction,

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of certain assets associated with authorization for wireless and international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed supplements to their domestic section 214 application on February 23 and March 2, 2009.

<sup>&</sup>lt;sup>2</sup> Iowa Telecom also provides long distance and competitive LEC services in Iowa.

<sup>&</sup>lt;sup>3</sup> Applicants state that EN-TEL Communications, LLC does not provide service in Northstar's territory and assert that there are multiple competitive telecommunications providers in the Elk River exchange.

Iowa Telecom will acquire substantially all the assets of Sherburne and its subsidiaries, including telecommunications facilities, customer databases, and associated contracts. The assets will be placed in various existing subsidiaries of Bishop Communications Corp., a wholly owned holding company subsidiary of Iowa Telecom. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>4</sup>

Domestic Section 214 Application Filed for the Acquisition of Assets of Sherburne Tele Systems, Inc. by Iowa Telecommunications Services, Inc., WC Docket No. 09-20 (filed Feb. 11, 2009).

## **GENERAL INFORMATION**

The Wireline Competition Bureau finds, upon initial review, that the transfer of certain assets identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before March 26, 2009**, and reply comments **on or before April 2, 2009**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice. Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. See 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . . ."); Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal e-Rulemaking Portal, http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie.May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;

<sup>&</sup>lt;sup>4</sup> 47 C.F.R. § 63.03(b)(2)(iii).

<sup>&</sup>lt;sup>5</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.